



Memorandum

July 16, 2007

TO: Senator Tom Coburn
Attention: Roland Foster

FROM: Rebecca Skinner
Specialist in Social Legislation
Domestic Social Policy Division

SUBJECT: Earmarks, Pell Grants, Tuition and Fees, and Lobbying in Postsecondary Education

This memorandum has been prepared in response to your request for information about earmarks, Pell Grants, tuition and fees, and spending on lobbying. More specifically, you requested information about earmarks funded through the U.S. Department of Education (ED) for various fiscal years, and data on the total number and value of earmarks received by postsecondary education institutions from FY1995 to FY2003. You also requested data on the average Pell Grant award and total program appropriations for award years 1993-1994 through 2005-2006. You were also interested in the average tuition and fees charged by 4-year public and private postsecondary education institutions from the 1994-1995 academic year through the 2006-2007 academic year. Finally, you requested an analysis of the total amount spent on lobbying by public and private postsecondary education institutions for 2005 and 2006. Each of these topics is considered in this order below. For each issue, a brief overview of the data used in the analysis is provided, followed by an analysis of the data.

Earmarks Funded Through the U.S. Department of Education

For the purpose of this section, earmarks are defined as “funds set aside within an account for a specific organization or location, either in the appropriation act or its conference report.” For the most part, the general purpose for each earmark is identified in an authorizing statute, such as “projects for the improvement of postsecondary education,” but the specific recipient is not designated by any legislation outside of the appropriation act or the conference report in which the earmark is made. Such designations usually bypass standard administrative procedures otherwise required by statute for the competitive distribution of funds among eligible recipients by the relevant agency of the executive branch.

For this request, earmarks were identified in Labor, Health and Human Services, and Education, and Related Agencies (L-HHS-ED) appropriations acts and the accompanying

conference reports for fiscal years 1996, 1998, 2000, 2002, 2004, 2005, and 2006. Earmarks were not identified for the intervening fiscal years or in additional documents, such as report language of House and Senate Appropriations Committees, floor statements, communications between the Administration and committees, agency budget justifications, similar documents from the preceding fiscal year, statutory authorization language, and supplemental appropriations or rescissions.¹ The estimates presented in **Table 1** should not be regarded as definitive of either the number of earmarks or the funding involved. Despite a comprehensive effort to provide a reliable count, the possible ambiguities in the documents used, plus differences in definitions and counting methods, will produce different estimates of unknown variability.

Table 1 shows the estimated number and dollar value of earmarks funded through ED based on L-HHS-ED appropriations. Earmarks funded through ED in L-HHS-ED appropriations generally increased in number and dollar value from FY1996 through FY2005 with a decrease in the value of earmarks from FY2002 to FY2004. However, a major change in direction occurred in FY2006; virtually all earmarks for ED were eliminated.

Table 1. Estimated Earmarks Funded through the U.S. Department of Education: Selected Years, FY1996-FY2006
(in current dollars)

Fiscal year	Estimated number of earmarks	Estimated value of earmarks
1996	4	\$10,000,000
1998	18	\$45,180,000
2000	224	\$188,273,000
2002	753	\$439,754,000
2004	810	\$315,645,000
2005	1,179	\$416,976,000
2006	3	\$14,250,000

Sources: The annual L-HHS-ED bills and conference reports upon which the above numbers are based were as follows: for FY2006, P.L. 109-149 (H.Rept. 109-337); for FY2005, P.L. 108-447 (H.Rept. 108-792); for FY2004, P.L. 108-199 (H.Rept. 108-401); for FY2002, P.L. 107-116 (H.Rept. 107-342); for FY2000, P.L. 106-113 (H.Rept. 106-479); for FY1998, P.L. 105-78 (H.Rept. 105-390); and for FY1996, P.L. 104-134 (H.Rept. 104-537).

Earmarks for Postsecondary Education Institutions

Data on earmarks for postsecondary education that have been made available across all the annual appropriations acts is somewhat limited. *The Chronicle of Higher Education* (the *Chronicle*) compiled these data for FY1995 through FY2003. This is the most comprehensive source of readily available data addressing this issue. The *Chronicle*

¹ This is based on the CRS policy regarding earmark analysis.

discontinued its annual compilations of postsecondary education earmarks due to the complexity of the issues surrounding earmarks and the burden of assembling these data.² No other organization was identified as having continued the *Chronicle's* work in subsequent years. Therefore, no data are available to address this issue beyond FY2003.

Table 2 shows the estimated number of earmarks received by postsecondary education institutions, the number of postsecondary education institutions that received an earmark, and the associated dollar value of these earmarks. Beginning in FY1996, the number of earmarks, number of institutions receiving earmarks, and the estimated dollar value of the earmarks increased steadily through FY2003. From FY1996 to FY2003, the dollar value of earmarks for postsecondary education institutions increased by over 550%.

Table 2. Estimated Earmarks Provided to Postsecondary Education Institutions: FY1995-FY2003
(in current dollars)

Fiscal year	Total number of earmarks	Total number of institutions receiving earmarks	Estimated dollar value of earmarks (in millions)
1995	369	202	\$600
1996	215	128	\$300
1997	235	150	\$420
1998	338	208	\$520
1999	584	305	\$800
2000	777	386	\$1,040
2001	1,215	528	\$1,670
2002	1,645	668	\$1,840
2003	1,964	716	\$2,000

Source: Table prepared by CRS based on data available from Brainard, J., & Borrego, A.M., Academic Pork Barrel Tops \$2-Billion for the First Time, *The Chronicle of Higher Education*, September 26, 2003.

Pell Grants

The Pell Grant program, authorized by the Higher Education Act (HEA), is the single largest source of grant aid for postsecondary education attendance funded by the federal government.³ Pell Grants are need-based aid intended to be the foundation for all federal

² Information provided in a telephone conversation between the *Chronicle* staff and former CRS staff member, Paul Irwin.

³ For more information about Pell Grants, see CRS report RL31668, *Federal Pell Grant Program* (continued...)

student aid awarded to undergraduate students. While there is no absolute income threshold that determines student eligibility for Pell Grants, the majority of Pell Grant recipients are low-income students. For example, in 2005-2006, approximately 79% of all Pell Grant recipients had incomes less than or equal to \$30,000.⁴ Relevant data on the Pell Grant program are available from the end-of-the-year reports published by the U.S. Department of Education, Office of Postsecondary Education. The most recent year for which data are available is award year 2005-2006. It should be noted that the data available are for all Pell Grant recipients, regardless of income level; however, as previously noted, most Pell Grant recipients are low-income students.

Table 3 provides data on the average Pell Grant award and total appropriations for the Pell Grant program for award year 1993-94 through award year 2005-06. The average Pell Grant award increased by nearly \$1,000 in current dollars (not adjusted for inflation) or 63.1% over this time period. Appropriations for the program have nearly doubled. During the same time period, the number of Pell Grant recipients increased from 3.8 million students in 1993-94 to 5.2 million students in 2005-06.

Table 3. Average Pell Grant Award and Total Appropriations, by Award Year: 1993-94 through 2005-06
(in current dollars)

Award period	Average Pell Grant	Total appropriations
1993-1994	\$1,506	\$6,461,900,000
1994-1995	\$1,502	\$6,636,700,000
1995-1996	\$1,515	\$6,146,800,000
1996-1997	\$1,577	\$4,914,000,000
1997-1998	\$1,696	\$5,919,000,000
1998-1999	\$1,876	\$7,344,900,000
1999-2000	\$1,915	\$7,704,000,000
2000-2001	\$2,040	\$7,640,000,000
2001-2002	\$2,298	\$8,756,000,000
2002-2003	\$2,436	\$11,314,000,000
2003-2004	\$2,473	\$11,364,647,000
2004-2005	\$2,477	\$12,006,738,000

³ (...continued)

of the Higher Education Act: Background and Reauthorization, by Charmaine Mercer. (Hereafter referred to as CRS report RL31668, *Federal Pell Grant Program*.)

⁴ U.S. Department of Education (2007), *Justifications of Appropriation Estimates to the Congress: Fiscal Year 2008*, p. O-29.

Award period	Average Pell Grant	Total appropriations
2005-2006	\$2,456	\$12,364,997,000

Source: Table prepared by CRS based on data available from the U.S. Department of Education, Office of Postsecondary Education, *2005-2006 Federal Pell Grant End-of-Year Report*, available online at [<http://www.ed.gov/finaid/prof/resources/data/pell-2005-06/pell-eoy-2005-06.html>].

Tuition and Fees

This section provides an analysis of the average undergraduate tuition and fees for full-time undergraduate students in public and private four-year degree-granting institutions from academic year 1993-1994 through academic year 2004-2005. The source of data for college prices from academic year 1993-1994 through academic year 2004-2005 was the *Digest of Education Statistics: 2005 (Digest)* produced by ED. The *Digest* reports data on average undergraduate tuition and required fees for full-time students attending degree-granting institutions.⁵ Data are available for public and private (non-profit and for-profit) four-year institutions.⁶ Data for academic years 2005-2006 and 2006-2007 were provided by the College Board.⁷ The major difference between the data available from the *Digest* and the College Board is that the former data are based on the universe of institutions, while the College Board data are based on a sample of institutions. While the College Board uses a fairly large sample, the sample changes from year to year, making it difficult to use for time trend analysis. The College Board data, however, are more current than data available from the *Digest*, so using both data sources was needed to respond to your request.

It should be noted that the college price data included in this analysis are based on self-reported information provided by institutions. These prices reflect the published prices (or sticker prices) for tuition and fees. These are not the prices that were actually paid by many students, as many postsecondary education students receive some type of financial aid. Accounting for this assistance results in the net price of attendance — what students actually paid to attend a postsecondary education institution.⁸ Data on net price, however, are not commonly available from institutions. Therefore, this analysis utilizes sticker prices.

Table 4 provides data on average tuition and fees for full-time undergraduate students attending degree-granting 4-year public and private institutions. Tuition and fees at both types of institutions have increased from 1993-1994 through 2006-2007. During this time period, annual increases in tuition and fees at public institutions ranged from 3.7% in 1999-2000 to 13.4% in 2003-2004. For private institutions, increases ranged from 3.6% in 1997-

⁵ Tuition and required fees are based on charges for in-state students.

⁶ Data are not available separately for private non-profit institutions and private for-profit institutions. Thus, data reported in this memorandum include both private non-profit and private for-profit four-year degree-granting IHEs. It should be noted that of the 1,957 private four-year institutions that reported data to the Integrated Postsecondary Education Data System (IPEDS) for the 2004-2005 academic year, 377 or 19.3% were private for-profit IHEs.

⁷ The College Board (2006), *Trends in College Pricing: 2006*, available online at [http://www.collegeboard.com/prod_downloads/press/cost06/trends_college_pricing_06.pdf].

⁸ For more information, see CRS report RL32100, *College Costs and Prices: Background and Issues for the Reauthorization of the Higher Education Act*, by Rebecca R. Skinner.

1998 to 11.4% in 2005-2006. While in some years public institutions had higher percentage increases in tuition and fees than private institutions, the increase in dollar amounts has been higher at private institutions as tuition and fees at these institutions are higher than at public institutions. For example, a 5% increase in tuition and fees at an institution charging \$4,000 will result in an increase of \$200, while the same increase at an institution charging \$15,000 will result in an increase of \$750.

Table 4. Average Undergraduate In-State Tuition and Required Fees for Full-Time Students in Public and Private Four-Year Degree-Granting Institutions: 1993-94 through 2006-2007
(in current dollars)

Academic year	Public four-year institutions			Private four-year institutions		
	Tuition and required fees	Dollar change from previous year	Percent change from previous year	Tuition and required fees	Dollar change from previous year	Percent change from previous year
1993-1994	\$2,537	na	na	\$10,952	na	na
1994-1995	\$2,681	\$144	5.7%	\$11,481	\$529	4.8%
1995-1996	\$2,848	\$167	6.2%	\$12,243	\$762	6.6%
1996-1997	\$2,987	\$140	4.9%	\$12,881	\$638	5.2%
1997-1998	\$3,110	\$122	4.1%	\$13,344	\$463	3.6%
1998-1999	\$3,229	\$119	3.8%	\$13,973	\$629	4.7%
1999-2000	\$3,349	\$121	3.7%	\$14,588	\$616	4.4%
2000-2001	\$3,501	\$151	4.5%	\$15,470	\$882	6.0%
2001-2002	\$3,735	\$235	6.7%	\$16,211	\$740	4.8%
2002-2003	\$4,046	\$311	8.3%	\$16,826	\$615	3.8%
2003-2004	\$4,587	\$540	13.4%	\$17,777	\$951	5.7%
2004-2005	\$5,038	\$451	9.8%	\$18,838	\$1,061	6.0%
2005-2006	\$5,492	\$454	9.0%	\$20,980	\$2,142	11.4%
2006-2007	\$5,836	\$344	6.3%	\$22,218	\$1,238	5.9%

Source: Table prepared by CRS based on data available from the U.S. Department of Education (ED), *Digest of Education Statistics: 2005*, and the College Board, *Trends in College Pricing: 2006*.

Note: Data for academic years 2005-06 and 2006-07 are from the College Board. The College Board bases its college price data on a sample of institutions, rather than on the universe of institutions used by ED. As such, changes in prices from the 2004-05 academic year (ED data) to the 2005-06 academic year (College Board data) may not reflect the actual change in the price of college. Detailed information about how college price is calculated by ED and the College Board is available in the sources noted above.

Lobbying by Postsecondary Institutions

Lobbying firms and organizations that employ lobbyists are required to file lobbying disclosure reports on lobbying income and expenditures, respectively, on a semi-annual basis with the Senate's Office of Public Records (SOPR).⁹ The Center for Responsive Politics (CRP), a non-partisan organization, routinely compiles these data and makes them available

⁹ For more information about the Senate Office of Public Records, see [http://www.senate.gov/pagelayout/legislative/one_item_and_teasers/opr.htm]. To view original filings of lobbying data, see [<http://sopr.senate.gov/>].

to the public.¹⁰ Data on lobbying specifically by postsecondary education institutions during 2005 and 2006 were compiled primarily by CRP to address this request.¹¹ Included in the total spending for these years were funds spent directly by colleges and universities (including medical schools), by the parent companies of for-profit (proprietary) institutions if it was clear that the lobbying had occurred on behalf of a specific institution, and state level organizations that represent the interests of a specific group of public or private institutions (e.g., Colorado Community Colleges System). National associations, organizations, societies, foundations, councils, commissions, or coalitions were not included in the total, as their efforts may or may not be directed to benefit specific institutions, and no additional information was provided on the specific intent of their lobbying activities. It should be noted that all of the data reported regarding lobbying activities are self-reported by the institutions and subject to updates.

Given these caveats, the total amount spent on lobbying included in this memorandum is only an estimate of the actual amount spent for each year. In 2005, an estimated \$63.8 million was spent by public and private postsecondary education institutions on lobbying. The following year, a similar amount, \$63.4 million, was estimated to have been spent on lobbying.

We hope this information is helpful. Please contact Becky Skinner at 7-6600 if you have any questions or need additional assistance.

¹⁰ Detailed information on CRP's methodology is available from [<http://www.opensecrets.org/lobbyists/methodology.asp>].

¹¹ CRP provided this service at no charge.